

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE BRISTOL COUNTY WATER AUTHORITY

Tuesday, October 7, 2008

450 Child Street, Warren Office, Warren, RI

Pursuant to proper notice, the regular meeting of the Board of Directors of the Bristol County Water Authority was called to order by Chairman Jannitto at 6:00 pm, 450 Child Street, Warren Office, Warren, Rhode Island. Executive Director Pasquale DeLise, and the following Directors were in attendance at the commencement of the meeting:

John Jannitto, Allan Klepper, Joseph Rego, John Saviano, Frank Sylvia and John Veader, John McElroy

Directors Absent – William Gosselin, Ian Morrison

Also present were numerous BCWA employees and retired BCWA employees.

HOUSEKEEPING

Minutes of the following meeting were reviewed.

Upon a motion duly made and seconded, it was unanimously

VOTED: That the minutes of the regular meeting of September 10, 2008, be approved.

AUDIT FINANCE COMMITTEE

Director Sylvia reported:

Old Business

1. Fund Transfer Request, Staff request transfer of \$4,000 to cover August 2008 operations concerning the East Bay Pipeline at ProvPort. Upon a motion duly made and seconded, it was

VOTED: To approve a transfer of \$4,000 from the Revenue Fund to the Operations & Maintenance Fund, to cover expenditures related to the East Bay Pipeline at ProvPort, as presented.

Motion passed unanimously.

ENGINEERING COMMITTEE

Director McElroy reported:

Old Business

1. RWU Progress Report, Bristol Directors and Executive Director attend a Zoning Board Meeting held on 10/6/08 at 7:00 pm at Bristol Town Hall.

Executive Director stated that the Zoning Board approved the RWU

project and all of the permits have been obtained. The water tank will be sold to BCWA for \$1.00 with shared responsibilities for the upkeep of the tank. BCWA will be responsible for the chemical maintenance. RWU proposes to maintain the outside of the tank only.

Director Sylvia stated that the Planning Board approved the project contingent upon successful negotiations between BCWA and RWU.

New Business

1. Main Replacement in Barrington, Committee recommends approval as presented. Upon a motion duly made and seconded it was

VOTED: Committee recommends to revise FY09 Capital Improvement Program to include approximately 3,668 linear feed of 8" main, at a cost of \$551,680 in the following streets in Barrington, as presented: Water Way, Water Way Court, Governor Bradford, Bay Avenue.

Motion passed unanimously.

2. Recent Correspondence Concerning the Rehoboth Water District, Executive Director DeLise stated that he had a meeting this morning with Chairman Jannitto, Legal Counsels Ms. Sandra Mack and Mr. Bill Grimm to discuss strategy. An answer to the lawsuit is due October 18, 2008.

Director Klepper stated he wished to go into Executive Session at the end of the meeting to discuss this matter.

PUBLIC RELATIONS/PERSONNEL COMMITTEE

Director Veader reported:

New Business

1. 2009 Poster Calendars, Committee recommends approval as presented. Upon a motion duly made and seconded, it was

VOTED: Committee recommends to award low bidder for 300 calendars, 136 Express of Bristol, at a price of \$1,675.00.

Motion passed 6 – 1, Director Saviano opposed.

Old Business

1. Director Veader stated that the next three items to be discussed were very sensitive and that the members of the audience had a vested interest. There could be a lot of alternatives for each motion – for, against or to modify. The motion could be amended or tabled to next month.

Chairman Jannitto made the following motion

MOTION: All present retirees be exempt from all that we do tonight.

Director Veader stated that the motions will be in three parts.

Chairman Jannitto withdrew his motion.

Director Veader made the following motion

MOTION: It is recommended that BCWA employees pay for Temporary Disability Insurance effective January 1, 2009.

Director Sylvia seconded the motion.

Director Saviano stated that it was common in a lot of companies for the employees to pay their TDI.

Director Klepper amended the second motion

AMENDMENT: Employees to pay for TDI in two phases. Employees to pay 50% of their TDI deduction beginning January 1, 2009. Employees to pay 100% of their TDI deduction beginning January 1, 2010.

Director Rego seconded the motion.

Director Saviano stated that the current union employees received a 4 year contract, they would have no encumbrances in paying their total TDI amount.

Director Klepper stated that he would like to encourage the Board to support his amendment, for the Board to be cognizant of the feeling of the employees.

Director Sylvia stated that the Board is aware of the operation of the Company. The Board has to have understanding and compassion, and I will support the amendment.

Director Saviano stated that there are 55,000 people in Bristol County drinking our water. People are losing their jobs and their benefits, there are foreclosures. Rhode Island's unemployment is the second highest in the country. This is a very insignificant amount of money for the employees.

Director Veader stated that Director Klepper's proposal was fair.

Amendment to the motion passed 5 – 2, Voting Nay Directors Saviano and McElroy.

Motion passed 5 – 2, Voting Nay Directors Saviano and McElroy.

2. Life Insurance Benefits for Retirees

Chairman Jannitto made the following motion

MOTION: Present retirees are excluded from this vote for life

insurance.

Director Rego seconded the motion.

Director Veader stated that the present policy will remain without any change.

Director Klepper asked if this motion were to pass would the current employee who retires next week have his life insurance paid for by the company.

Director Veader stated that any retiree would have his life insurance paid for.

Chairman Jannitto withdrew his motion.

Director McElroy made the following motion which was duly seconded

MOTION: That current retired employees will retain their benefit of having their life insurance paid for by BCWA.

Director Saviano stated that the Board just approved \$1,650 for 300 posters, The Board can take care of their employees for \$2,000.

Motion passed unanimously.

Director Saviano made the following motion, which was duly seconded

MOTION: Any current employee retiring after January 1, 2009 will not receive any life insurance.

Director Saviano amended the motion, which was duly seconded

AMENDMENT: Employee will personally pay for their life insurance.

Motion failed 5 – 2, Voting Aye Directors Saviano and McElroy. Voting Nay Chairman Jannitto, Directors Klepper, Rego, Sylvia and Veader.

3. Health and Dental Benefits, Director Veader made the following motion

MOTION: All employees of BCWA will receive Medical and Dental Insurance as stated in the Contract between BCWA and the Union. Upon retirement Medical and Dental Insurance will continue until the age of 65. After age of 65 retiree will pay his own premiums. BCWA is to pay for supplemental payments only.

Director Saviano seconded the motion.

Director Klepper stated that there was confusion amongst the Board. There has to be a goal set on what the Board wishes to achieve. The main issue is not clear. The following motion was made

MOTION: To table the motion to next month so the Board can decide where BCWA should be on this issue.

Director Saviano seconded the motion.

Motion passed 6 – 1, Director Rego voted Nay.

Director Veader asked that this item remain on the agenda for the November meetings.

Upon a motion duly made and seconded it was

MOTION: To enter into Executive Session to discuss response to the Rehoboth lawsuit under RIGL 42-46.5.

Roll Call Vote all present vote aye.

The Board entered into Executive Session at 7:13 pm.

There being no further business, the meeting was adjourned at 7:25 pm.

John L. McElroy, Jr.

Secretary